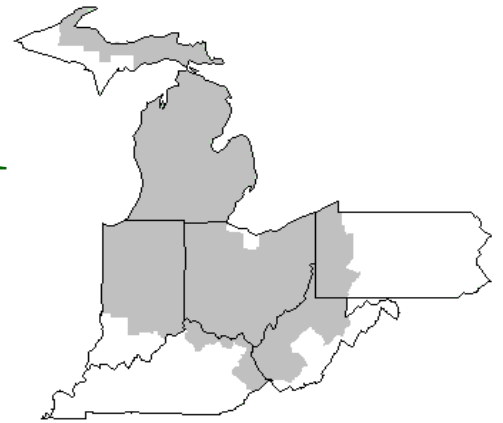


# Mideast Market Administrator's Bulletin



## Federal Order No. 33

Sharon R. Uther, Market Administrator

Phone: (330) 225-4758 Toll Free: (888) 751-3220

Email: clevelandma1@sprynet.com

WebPage: www.fmmaclev.com

December 2021

### Dairy Forecast 2021

Based on recent milk production data, milk cows for 2021-Q4 are projected to average 9.400 million head, 60,000 below last month's projection. The average milk output per cow in 2001-Q4 is projected to be 5,910 pounds per head, 10 pounds less under the previous month than expected. The milk production forecast for 2021 is 226.4 billion pounds, 0.6 billion pounds lower than last month's projection

The forecasts for dairy exports in 2021-Q4 have been raised. Based on recent export data, higher exports of cheese and butterfat products (AMF, butteroil, and high-fat dairy spreads) are expected due to U.S. price competitiveness in the international markets. In 2021-Q4, export forecasts have been raised to 3.0 billion pounds on a fat basis (+0.2 billion pounds) and 12.1 billion pounds on a skim-solids basis (+0.1 billion pounds). For the year, the export forecast is 11.9 billion pounds on a milk-fat basis (+0.1 billion pounds). On a skim-solids basis, the export forecast for 2021 is unchanged at 51.4 billion pounds, as the higher forecast in 2021-Q4 is offset by lower than expected exports in 2021-Q3.

On a milk-fat basis, the 2021-Q4 projection for dairy products imports has been lowered to 1.6 billion pounds (-0.1 billion) due to lower expected imports of butterfat products. The annual forecast for 2021 imports on a milk-fat basis has been lowered to 6.4 billion pounds (-0.2 billion). On a skim-solids basis, the forecast for 2021-Q4 imports is unchanged from last month's projection of 1.4 billion pounds, and the annual forecast is unchanged at 5.7 billion pounds.

The forecast for 2021 ending stocks on a milk-fat basis has been lowered by 0.6 billion pounds to 14.9 billion pounds. On a skim-solids basis, the forecast for ending stocks is 11.0 billion pounds, unchanged from last month's forecast. Due to recent weakness in domestic use and higher expected prices for most dairy products, the forecast for 2021-Q4 domestic use on a milk-fat basis is 57.0 billion pounds, 0.3 billion lower than last month's forecast. On a skim-solids basis, the forecast for domestic use for 2021-Q4 is 44.6 billion pounds, 0.60 billion below the previous forecast. Annual forecasts for 2021 domestic use are 220.6 billion pounds on a milk-fat basis (-0.2 billion) and 179.5 billion pounds on a skim-solids basis (-0.5 billion).

Based on recent increases in prices for butter, NDM, and dry whey, 2021-Q4 price forecasts for those products have been raised to \$1.870 (+13.5 cents), \$1.460 (+9.0 cents), and \$0.570 (+2.0 cent) per pound, respectively. The 2021-Q4 price forecast for Cheddar cheese has been lowered to \$1.730, 4.5 cents lower than the previous forecast.

With the lower projected wholesale price for cheese more than offsetting the higher dry whey price forecast, the Class III milk price

forecast for 2021-Q4 is \$17.65 per cwt, \$0.25 lower than the previous month's forecast. Due to higher butter and NDM price forecasts, the Class IV milk price projection for 2021-Q4 is \$18.30 per cwt, \$1.35 higher than last month's forecast. The all-milk price forecast for 2021-Q4 has been raised to \$20.00 per cwt, up \$0.20 from the previous forecast. The forecast for the year has been raised \$18.50 per cwt for all year 2021, up \$0.05 from last month's projection.

### Dairy Forecast 2022

The U.S. dairy herd is projected to continue decreasing in the first two quarters of 2022. Consequently, the annual 2022 forecast has been lowered to 9.395 million head, 55,000 head below the last month's forecast and 60,000 less than 2021. The 2022 forecast for milk per cow is 24,280 pounds, 25 pounds lower than last month's forecast. The projection for 2022 milk production has been lowered to 228.1 billion pounds, 1.6 billion pounds below last month's forecast but 1.7 billion pounds above 2021.

On a milk-fat basis, the export forecast for 2022 is 11.4 billion pounds, 0.4 billion higher than last month's projection due to higher expected exports of cheese and butterfat products. On a skim-solids basis, 2022 dairy exports are projected to total 51.8 billion pounds, unchanged from last month's forecast. On a milk-fat basis, 2022 dairy products imports are forecast at 6.5 billion pounds, 0.2 billion lower than last month's forecast due to lower expected imports of butterfat products.

(continued on Page 3)

### November 2021 Pool Summary

#### Classification of Producer Milk

	Pounds	Percent
Class I	564,007,504	33.8
Class II	301,751,020	18.1
Class III	678,434,459	40.6
Class IV	125,037,370	7.5
Total	1,669,230,353	100.0

#### Producer Prices

Producer Price Differential	\$ 0.50 / cwt
Butterfat Price	2.1541 / lb
Protein Price	2.7536 / lb
Other Solids Price	0.3949 / lb
Somatic Cell Adjustment Rate	0.00088 / cwt
Statistical Uniform Price	18.53 / cwt

**ANNOUNCEMENT OF PRODUCER PRICES**

Federal Order No. 33

November 2021

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

	POUNDS	BUTTERFAT	SKIM / PROTEIN	NONFAT SOLIDS	OTHER SOLIDS	PRICE	VALUE
Class I Skim Value			551,849,888			\$13.73 / cwt	\$ 75,768,989.62
Class I Butterfat		12,157,616				1.9238 / lb	23,388,821.68
Class I Location Differential	564,007,504						(349,171.40)
Class II SNF Value				26,556,455		1.2478 / lb	33,137,144.54
Class II Butterfat		21,800,354				2.1611 / lb	47,112,745.04
Class III Protein Value			22,489,243			2.7536 / lb	61,926,379.50
Class III Other Solids Value					39,240,587	0.3949 / lb	15,496,107.85
Class III Butterfat		26,142,597				2.1541 / lb	56,313,768.20
Class IV SNF Value				11,099,367		1.2960 / lb	14,384,779.64
Class IV Butterfat		8,159,942				2.1541 / lb	17,577,331.07
Somatic Cell Value II / III / IV							<u>1,771,645.22</u>
<b>TOTAL PRODUCER MILK VALUE</b>	1,669,230,353	68,260,509	55,348,057		96,362,084		\$ 346,528,540.96
Overages						162,198.48	
Beginning Inventory & OS Charges						168,618.79	
<b>TOTAL ADJUSTMENTS</b>							\$ 330,817.27
<b>TOTAL HANDLER OBLIGATIONS</b>							\$ 346,859,358.23
Total Protein Value			55,348,057 lbs	@	\$ 2.7536		\$(152,406,409.74)
Total Other Solids Value			96,362,084 lbs	@	0.3949		(38,053,386.99)
Butterfat Value			68,260,509 lbs	@	2.1541		(147,039,962.43)
Total Somatic Cell Values							<u>(2,644,236.82)</u>
<b>TOTALS</b>							\$ 6,715,362.25
Net Producer Location Adjustments							\$ 1,476,824.91
1/2 Unobligated Balance Producer Settlement Fund							<u>830,000.00</u>
Total - Divided by Total Pounds			1,669,230,353 lbs			0.5404998	\$ 9,022,187.16
Rate of Cash Reserve						<u>(0.0404998)</u>	<u>(676,034.95)</u>
<b>PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH <sup>1</sup></b>			1,669,230,353			\$ 0.50 / cwt	\$ 8,346,152.21

**COMPONENT PRICES**

November

**COMPUTATION OF UNIFORM PRICE**

November

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
Butterfat Price	\$2.1541 / lb	\$1.5553 / lb	Class III Price - 3.5% BF	\$18.03	\$23.34
Protein Price	2.7536 / lb	5.6226 / lb	Producer Price Differential*	<u>.50</u>	<u>(7.40)</u>
Other Solids Price	0.3949 / lb	0.1894 / lb	Statistical Uniform Price	\$18.53	\$15.94
Somatic Cell Adjustment Rate	0.00088 / cwt	0.00123 / cwt			
Nonfat Solids Price <sup>2</sup>	1.2960 / lb	0.9047 / lb			

**CLASS PRICES**

November

**CLASSIFICATION OF PRODUCER MILK**

November

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
Class I*	\$19.98	\$20.04	Product lbs.	Product lbs.	
Class II	18.40	13.86	Class I	564,007,504	575,155,671
Class III	18.03	23.34	Class II	301,751,020	305,751,294
Class IV	18.79	13.30	Class III	678,434,459	93,062,503
			<u>Class IV</u>	<u>125,037,370</u>	<u>274,631,233</u>
			Total	1,669,230,353	1,248,600,701

<sup>1</sup> Subject to Location Adjustment.<sup>2</sup> Producers are not paid on this component.**ORDER 33 MARKET SUMMARY**

The Producer Price Differential for the Mideast Marketing Area for November 2021 was \$0.50, and the Statistical Uniform Price was \$18.53 for the month. The Statistical Uniform Price is \$0.83 higher than last month and is \$2.59 higher than November 2020.

The Producer Butterfat Price of \$2.1541 per pound increased \$0.2127 from October and is up \$0.5988 from a year ago. The Protein Price of \$2.7536 is down \$0.2594 from last month and is down \$2.869 from November 2020. The Other Solids Price in November was \$0.3949 per pound, an increase from last month's price of \$0.3560 and \$0.2055 higher than last November. The Somatic Cell Adjustment rate for November was \$0.00088 per cwt.

November producer receipts of 1.67 billion pounds were 3.4 percent higher than October and 33.7 percent higher than November 2020 production of 1.25 billion pounds. Producer milk allocated to Class I accounted for 33.8 percent of the total producer milk in November 2021, the same as the 33.8 percent in October, and lower than the 46.1 percent in November 2020. A total of 3,500 producers were pooled on the Mideast Order compared to 3,752 producers pooled in November 2020.

The market average content of producer milk was as follows: Butterfat 4.09%; Protein 3.32%; Other Solids 5.77% and Nonfat Solids 9.09%.

(continued from Front Page)

On a skim-solids basis, the forecast for 2021 imports is 5.5 billion pounds, unchanged from last month.

Due to higher expected prices and recent weakness in domestic use, forecasts for domestic use have been lowered from the previous month's forecast. On a milk-fat basis, the domestic use forecast for 2022 is 222.3 billion pounds, 2.2 billion below the previous forecast. On a skim-solids basis, the forecast for domestic use is 180.8 billion pounds, 1.4 billion lower than last month's forecast.

Ending stocks on a milk-fat basis for 2022 have been lowered to 14.7 billion pounds (-0.6 billion), as lower expected total supply and higher exports more than offset lower expected domestic use. On a skim-solids basis, the forecast for ending stocks has been lowered to 10.9 billion pounds (-0.2 billion) as a lower expected supply more than offsets lower expected domestic use.

With the substantially lower projected milk supply, dairy product price forecasts for 2022 have been raised from last month's projections. Wholesale price forecasts for Cheddar cheese, butter, NDM, and dry whey are \$1.765 (+5.0 cents), \$1.910 (+15.5 cents), \$1.485 (+10.5 cents), and \$0.530 (+2.0 cents) per pound, respectively.

With higher projected wholesale prices for cheese and dry whey, the Class III milk price forecast for 2022 is \$17.75 per cwt, \$0.65 higher than the previous month's forecast. Due to higher butter and NDM price forecasts, the Class IV milk price projection for 2022 is \$18.70 per cwt, \$1.55 above last month's forecast. The all-milk price forecast for 2022 is \$20.25 per cwt, an increase of \$1.05 from last month's projection.

*Livestock, Dairy, and Poultry Outlook: November 2021, LDP-M-329, November 16, 2021 USDA, Economic Research Service*

### October Milk Production down 0.3 Percent

Milk production in the 24 major States during October totaled 17.7 billion pounds, down 0.3 percent from October 2020. September revised production, at 17.3 billion pounds, was up 0.2 percent from September 2020. The September revision represented a decrease of 0.2 percent or 37 million pounds from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 1,990 pounds for October, 6 pounds above October 2020.

The number of milk cows on farms in the 24 major States was 8.90 million head, 4,000 head more than October 2020, but 15,000 head less than September 2021.

The Mideast Marketing Area has four states represented in the 24 major states used above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production in these Mideast states during October totaled 2.6 billion pounds, this was down 2.2 percent from October 2020.

Production per cow in the Mideast states averaged 1,944 pounds for October. This was a decrease of 24 pounds per cow from October 2020. The number of cows on farms in the Mideast states was 1.35 million head, 13,000 head less than October 2020.

*Released November 18, 2021, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).*

**Bulletin WebPage Edition**  
[www.fmmaclev.com](http://www.fmmaclev.com)  
 Featured this month are:

- Producer Price Differential & Uniform Price Statistics
- Grain & Alfalfa Hay Prices

### Weighted Averages - Butterfat, Protein, Other Solids, Somatic Cell Count by State Federal Order No. 33

State	October 2021						October 2020				
	Number of Producers	Pounds of Milk (000)	-----Weighted Averages-----				Pounds of Milk (000)	-----Weighted Averages-----			
			Butterfat	Protein	Other Solids	SCC (000)		Butterfat	Protein	Other Solids	SCC (000)
Michigan	873	857,300	3.93	3.22	5.77	168	667,063	3.94	3.24	5.78	153
Ohio	1,177	370,326	3.94	3.21	5.74	192	271,816	3.96	3.22	5.72	169
Indiana	588	218,508	3.88	3.21	5.79	207	224,886	3.92	3.22	5.79	165
New York	142	80,488	4.08	3.24	5.86	210	43,847	4.15	3.28	5.87	184
Pennsylvania	533	77,139	4.02	3.17	5.64	240	61,425	4.05	3.18	5.65	219
Other	147	10,681	3.97	3.22	5.60	229	10,078	4.02	3.19	5.67	222
Total/Average *	3,460	1,614,443	3.94	3.22	5.76	185	1,279,115	3.96	3.23	5.77	164

\* Totals may not add due to rounding. Data provided on a one month delay basis and includes only milk from these states *pooled* on the Mideast order.



**United States  
Department of  
Agriculture**

PRSR STD  
U.S. POSTAGE  
PAID  
Cleveland, Ohio  
Permit No. 2511

**Mideast Market Administrator Bulletin**  
1325 Industrial Parkway North  
P.O. Box 5102  
Brunswick, Ohio 44212

POSTMASTER: Time Sensitive Material - Deliver Promptly

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, or call (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

**FEDERAL ORDER DATA  
November 2021**

<u>Marketing Area</u> <sup>1/</sup>		<u>Producer Milk</u>		<u>Class I</u>	<u>Producer</u>	<u>Statistical</u>
		<u>Total</u>	<u>Class I</u>	<u>Percent</u>	<u>Price Differential</u>	<u>Uniform Price</u>
		<i>(000)</i>	<i>(000)</i>	<i>%</i>	<i>(per cwt.)</i>	<i>(per cwt.)</i>
FO 1	Northeast - <i>(Boston)</i>	2,158,918	706,683	32.7	\$1.51	19.54
FO 5	Appalachian - <i>(Charlotte)</i>	425,848	326,825	76.8	<sup>2/</sup>	21.13
FO 6	Florida - <i>(Tampa)</i>	207,065	176,104	85.1	<sup>2/</sup>	22.93
FO 7	Southeast - <i>(Atlanta)</i>	376,476	268,132	71.2	<sup>2/</sup>	21.22
FO 30	Upper Midwest - <i>(Chicago)</i>	1,922,683	218,882	11.4	0.18	18.21
FO 32	Central - <i>(Kansas City)</i>	1,140,870	368,127	32.3	0.22	18.25
FO 33	Mideast - <i>(Cleveland)</i>	<b>1,669,230</b>	<b>564,008</b>	<b>33.8</b>	<b>0.50</b>	<b>18.53</b>
FO 51	California - <i>(Los Angeles)</i>	2,075,689	422,371	20.3	0.73	18.76
FO 124	Pacific Northwest - <i>(Seattle)</i>	549,410	138,718	25.3	0.35	18.38
FO 126	Southwest - <i>(Dallas)</i>	1,086,844	340,848	31.4	1.03	19.06
FO 131	Arizona - <i>(Phoenix)</i>	401,807	118,991	29.6	<sup>2/</sup>	19.15

<sup>1/</sup> Names in parentheses are principal points of markets.

<sup>2/</sup> Producers in these markets are paid on the basis of a uniform skim and butterfat price.

**MINIMUM PARTIAL PAYMENT PRICE FOR DECEMBER 2021 .....\$18.03 /cwt.**

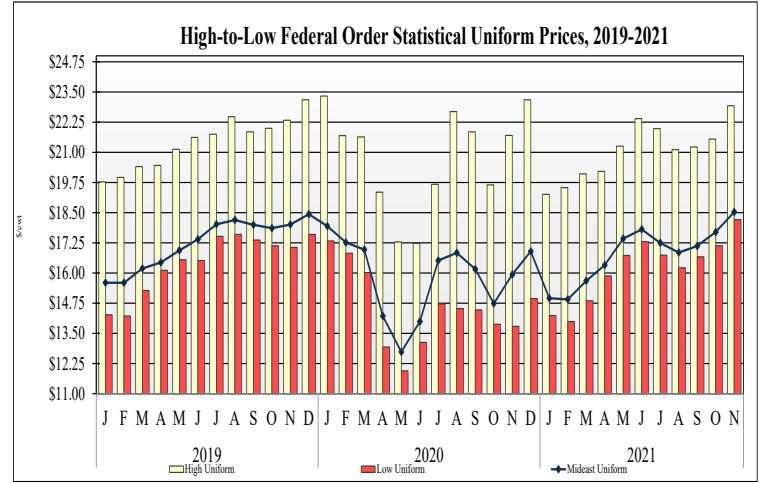
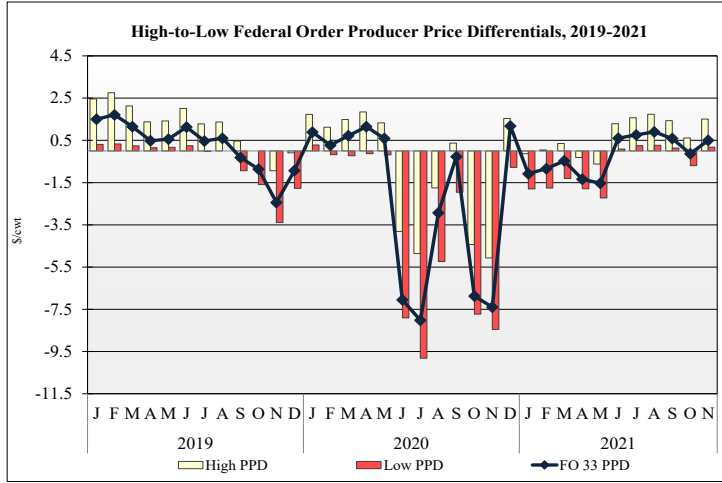


# Mideast Market Administrator's Bulletin

Federal Order No. 33

Supplement  
December 2021

## PRODUCER PRICE DIFFERENTIAL AND UNIFORM PRICE STATISTICS 2/ 3/



Producers in Orders 1, 30, 32, 33, 51, 124, and 126 are paid based on component pricing.

Of those orders, Federal Order 1 traditionally has the highest producer price differential. For November 2021 Federal Order 1 had a PPD of \$1.51 per hundredweight (cwt), \$0.90 higher than their October PPD of \$0.61 per cwt.

In November 2021 Federal Order 33 had the fourth highest PPD, behind Orders 1, 51, and 126, at \$0.50 per cwt, \$0.63 per cwt higher than the October PPD.

For November 2021 Federal Order 30 had the lowest PPD at \$0.18 per cwt, \$0.34 per cwt higher than the October PPD.

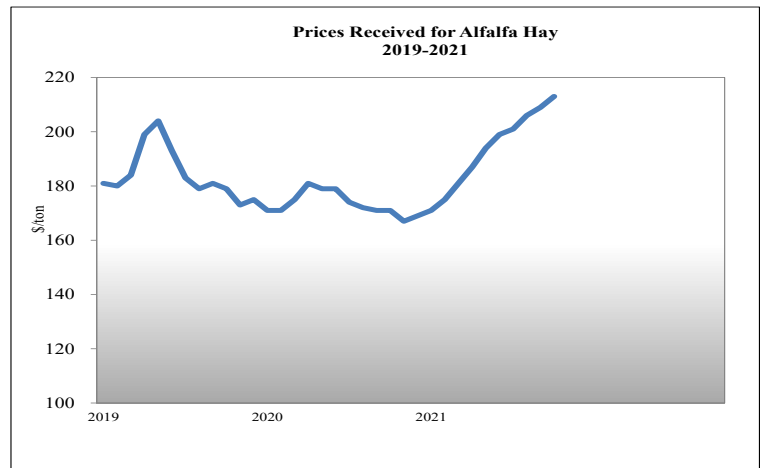
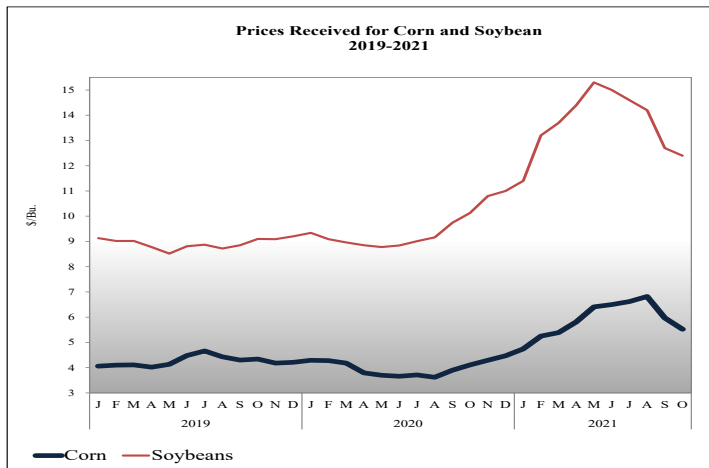
Producers in Orders 1, 30, 32, 33, 51, 124, and 126 are paid based on component pricing; and producers in 5, 6, 7 and 131 are paid based on skim-fat pricing. The table above details the range of statistical uniform prices (SUP) paid to producers.

Of those orders, Federal Order 6 (Florida) traditionally has the highest statistical uniform price. For November 2021 Federal Order 6 had a SUP of \$22.93 per cwt, \$1.38 higher than the previous month's SUP.

Federal Order 33 had a SUP of \$18.53 per cwt, \$0.83 per cwt higher than the previous month's SUP.

The Upper Midwest order had the lowest SUP at \$18.21 per cwt, \$0.54 per cwt higher than the previous month's SUP.

## PRICES RECEIVED FOR GRAIN AND ALFALFA HAY 4/



2/ Producer price differentials are subject to location adjustment.

3/ Statistical uniform prices are at 3.5 percent butterfat and subject to location adjustment.

4/ Source: USDA, National Agricultural Statistics Service